VZCZCXRO8876
RR RUEHDBU
DE RUEHKB #1086 2050655
ZNY CCCCC ZZH
R 240655Z JUL 06
FM AMEMBASSY BAKU
TO RUEHC/SECSTATE WASHDC 0853
INFO RUCNCIS/CIS COLLECTIVE
RUEHMZ/EUROPEAN POLITICAL COLLECTIVE
RHMFISS/CDR USEUCOM VAIHINGEN GE
RUEKJCS/SECDEF WASHDC

CONFIDENTIAL BAKU 001086

SIPDIS

SIPDIS

DEPT FOR EUR/ERA, EUR/CARC

E.O. 12958: DECL: 07/20/2016 TAGS: <u>PREL PBTS EAID AM AJ</u>

SUBJECT: AMBASSADOR'S LUNCH WITH EU SPECIAL REPRESENTATIVE

FOR THE SOUTH CAUCASUS

Classified By: Acting DCM Joan Polaschik per 1.4 (b,d).

- 11. (C) During a July 20 lunch meeting with the Ambassador, EU Special Representative for the South Caucasus Peter Semneby said that the European Action Plan for Azerbaijan has basically been negotiated, and will likely be adopted by the Council in mid-October. The money will come slightly later, he said, and will amount to "a few hundred million Euros" for each of the South Caucasus countries. He said many of the assistance priorities are political, including rule of law, human rights and democracy, and that trade issues and anti-corruption programs also will be funded. He characterized Georgia's position on its European aspirations as "full-speed ahead," Armenia's as "very interested, but not talking loudly," and Azerbaijan's as being more "lax." He said he expected that by the end of the year the EU Council would have a mandate for greater engagement with the South Caucasus.
- 12. (C) On N-K, Semneby seemed both very much out of the loop, and very interested in finding some kind of role for himself, which did not look like a good combination. He spent most of his time trying to elicit information from the Ambassador. He did say, though, that the main goal for the EU is to be as prepared as possible for a settlement, so it would be ready with assistance, and any possible peacekeeping responsibilities. He said that the EU does not have any concrete plan in place for either contingency.
- 13. (SBU) Semneby and the Ambassador agreed that the US and EU should coordinate our assistance activities in Azerbaijan. Post already is in touch with his Pol Advisor, who is based in Tbilisi, to arrange a briefing on our assistance programs. (Semneby said he hoped to have a Pol Advisor eventually operating out of the European Commission office, which he said would probably open early in 2007. The EC currently maintains only a Europa House in Baku, and its Brussels-based Representative currently visits Baku every other month.) The Ambassador also made a pitch for programs that promote WTO accession.
- 14. (C) Comment: Semneby seems to have an extensive -- albeit not very clear -- idea of his mandate, including on the Nagorno-Karabakh conflict. It will be important to maintain a high degree of coordination with him, particularly on donor efforts.

 DERSE